

Exhibit to Agenda Item #3

Board Policy Committee and Special SMUD Board of Directors Meeting
Wednesday, May 1, 2019, scheduled to begin at 5:30 p.m.
Customer Service Center, Rubicon Room

Strategic Directive (SD)-6 Safety

Creating a safe environment for employees and the public is a core value of SMUD. Through continuous improvement, SMUD will be recognized as a leader in employee safety while also assuring the safety of the public related to SMUD operations and facilities. This includes a comprehensive approach to monitoring organizational and public safety performance. Therefore, SMUD will continue to improve safety results to:

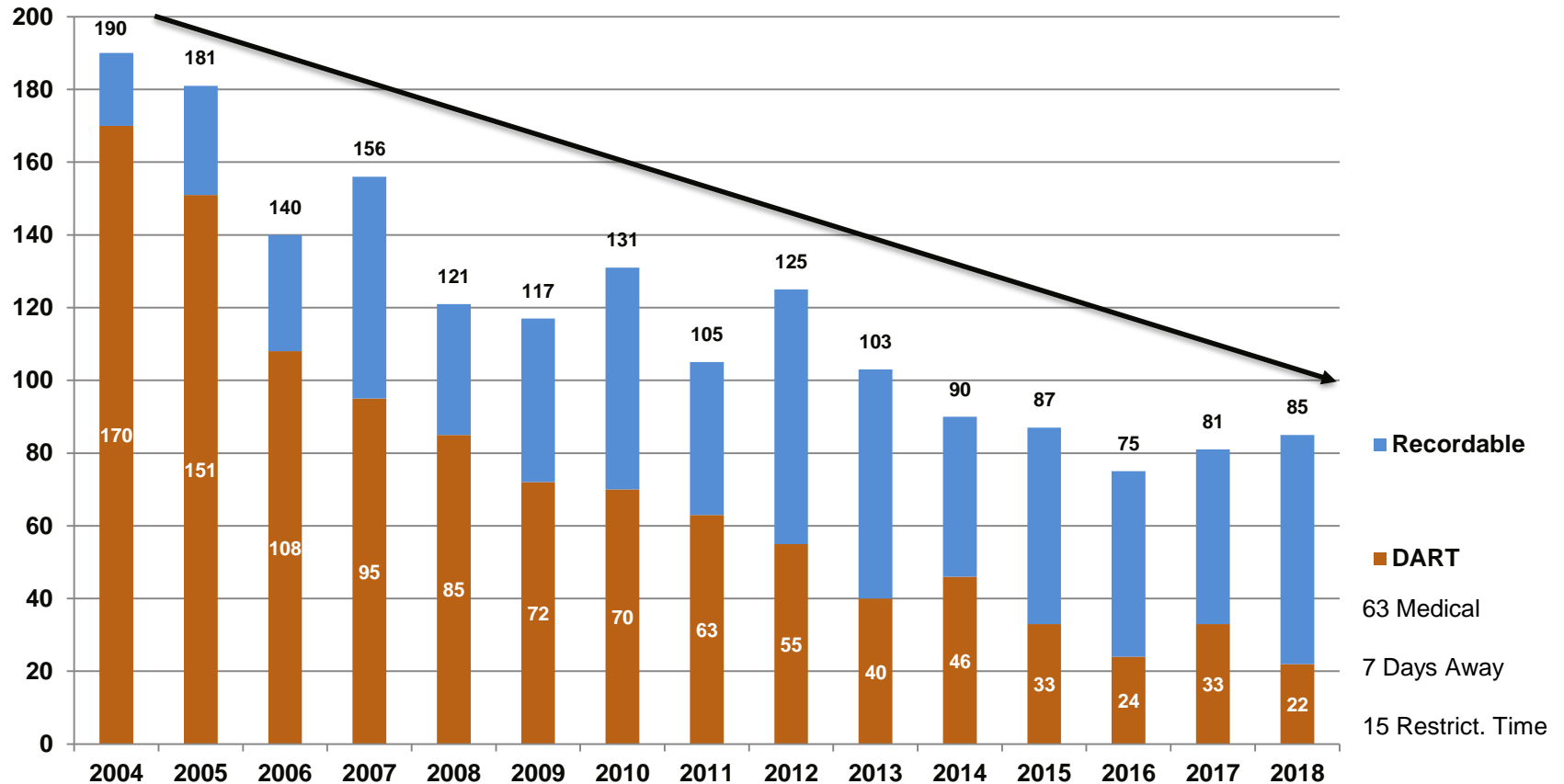
Workplace Safety

- a) Reduce SMUD's injury severity rate to 1.4 by 2020, as measured by OSHA's Days Away Restricted Time (DART), a rate that demonstrates strong safety performance.
- b) Provide timely, quality health care for injured employees that aids their recovery while maintaining positive financial performance of the workers' compensation program.

Public Safety

- a) Track and report injuries to the public related to SMUD operations or facilities.
- b) Implement measures to protect the public from injuries related to SMUD operations or facilities.

Days Away Restricted Time (DART) Rate Trending



Key Measure Performance Results for 2018

Workplace Safety Performance

- In 2018, SMUD had (22) DART injuries. Seven resulted in lost time and fifteen (15) were modified duty. More than 80% of SMUD's DART rate were Field-related with 59% related to soft tissue injuries. This resulted in a DART rate of 1.0.
- Quality care of injured employees is measured through the Workers' Compensation program's performance, which is assessed annually by an independent actuary. Program findings include:
 - Program savings vs. a guaranteed cost insurance plan amount to \$1.95M
 - First year payments decreased by 26.4% from the first year payments in 2017
 - Total paid losses for all years decreased 4.8% to a record low.
 - Strong communication between injured workers and staff resulted in a low litigation rate of 0.16%.

Key Measure Performance Results for 2018

Public Safety

Through the end of December, there were 28 reported public/community safety-related incidents.

- Of these, twenty two (22) were categorized as electrical contact. One (1) involved the unauthorized entry into a substation, six (6) were related to dig-ins, three (3) resulted from contact with non-SMUD equipment hit; three (3) were related to tree trimming, one (1) was cable work; seven (7) were related to SMUD lines/transformer/weatherhead; one (1) was related to drone removal from a tree, and one (1) was not classified. In 18 of the 22 incidents, no injuries were reported.
- Six additional incidents that were not electrical contacts included: two (2) near miss vehicle incidents with a bicycle; one (1) customer that tripped on a utility box and injured her ankle; one (1) customer that slipped on transformer oil and fell; one (1) grass fire caused by a failed cut out; and one (1) underground fault that caused a fire and burned a fence.

Contractor Safety

During 2018, as part of our contractor safety efforts Safety tested a new contractor site safety evaluation form with 37 SMUD contractors. Approximately 24 contractor site evaluations were completed to check and verify safety performance at the contractor sites.

Safety is developing a contractor safety orientation form that will be used for contractor onboarding to help set clear safety expectations of contractors while working at SMUD.

During the second quarter of this year, a SMUD contractor had a vehicle accident that resulted in a fatality.



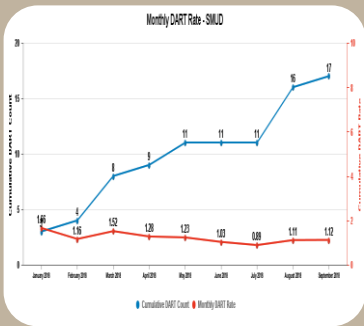
2018 Safety Leadership

- Incident Review Committee
- Developing 5-year Safety Strategy
- Communication Plan Development
- Developing SMUD-wide Safety Roles & Responsibilities
- VPP Effort at the UARP & Gas Pipeline
- Health Assessment Program (HAP)



2018 Safety Program Changes

- Safety E-learning
- EMS Electrical Safety Training
- Driver Safety with Telemetric Plan Development
- Workflow Integration Plan
- 5G – RF Safety Plan Review



2018 Safety Metrics and Communications

- Improved Dashboard for DART Reporting
- Leading Indicator Development that Compliments SMUD's Safety Strategy – Trial Contractor Interactions
- Lessons Learned – Wildfire Response
- Improved Document Control and Safety Standards



2018 Safety Compliance

- 67 Near Miss Reports with root cause analysis for SIF potential events
- Accident/Incident Investigation Training
- Job Hazard Analysis – New with Risk Ranking
- HQ Industrial Hygiene & PCB Support for HQ, Franklin, & Station E



2018 Safety Programs

- Safety for Life Expansion – 2 sessions complete
- Truck Rodeo – Driving Skill Competition & Driving Program Develop.
- SCORCH – Expansion + Mini Conference. Over 6,000 observations
- Corrective Action Follow-up
- JLSMC – Pole Relocation, Tool Subcommittee, Tailboard Dev.



2018 Contractor & Public Safety

- Safety Pre-Qualification of Contractors Trial Program
- Look up and Live Campaign
- Education and Training with First Responders and Schools
- Improved EMF and RF Meters and Response Programs
- Gas Pipeline Training Exercise/Utility Public Safety Alliance
- Working with the City of Sacramento on new pole permitting req.

Safety Challenges

- Field and Office Soft Tissue Injuries.
- Zero Accidents and Zero Accident Culture.
- Data Management and Governance.

Requested Action

- Accept the Q4 monitoring report for SD-6 Safety.
- Place item on the Board consent calendar for approval.